

May 10, 2012

Press Release

New Horizon Capital Co., Ltd.

**New Horizon Capital and YAMADA DENKI
Sign Husetec Share Transfer Agreement**

**- Completion of Business Rehabilitation
and Accomplishment of Public Mission as Japanese PE Fund-**

Japan's leading independent private equity fund, New Horizon Capital Co., Ltd. (Head Office: Nishi Shinbashi, Minato-ku, Tokyo; Chairman and President: Yasushi Ando; hereafter "NHC"), announced today that NHC and TSE-listed YAMADA DENKI Co, LTD. (Head Office: Takasaki City, Gunma Prefecture; President-Director: Tadao Ichimiya; hereafter "YAMADA DENKI") signed share-transfer agreement for the entire shares of Husetec Holdings (Head Office: Itabashi-ku, Tokyo; President: Shintaro Hoshida; hereafter "Husetec"), a housing equipment and environmental facilities manufacturer.

NHC has led Husetec's constructive rehabilitation process by utilizing its existing management and employees ever since NHC first acquired the shares of loss-making Hitachi Husetec (renamed Husetec Inc. on April 1, 2009) from Hitachi Chemical in January 2008.

Husetec successfully registered a recurring profit just one year into its business rehabilitation initiatives, and thereafter recorded four consecutive years of earnings growth by fiscal year ending March 2012, despite the severe business environment, including the negative impact of the Lehman shock and revision of the Japan Building Standards Law. With the successful revamping of its business, the company immediately entered a growth phase. As part of its growth strategy, the company formed an exclusive business tie-up with Chinese company COZY, the No.1 prefabricated bathroom manufacturer in China, to capture the prospective Chinese market. Furthermore, Husetec established a Shanghai entity to expand business within mainland China, one of its steps toward seeking entry into other markets in the Asia-Pacific region.

To ensure the further growth of Husetec's business, it was thought most appropriate to leverage its strengths under YAMADA DENKI, the leading Japanese consumer electronics retailer, which has recently positioned a Smart House concept focused on ECO-related businesses as one of its core growth engines. Such collaboration would further expand the businesses of both firms by maximizing the

synergistic effect and therefore was the best possible choice for Housetec management and its employees to enhance the company's growth. This deal also brought a reasonable return to NHC fund investors, despite the fact that the investment was made during the difficult months of early 2008. Therefore, with the completion of Housetec's rehabilitation and value-creation activities, NHC considers that it has fulfilled its responsibilities as a corporate revitalization and growth fund in Japan.

We are confident that the business rehabilitation of Housetec, which was not able to realize its full potential under a large conglomerate, exemplifies an effective business model for a successful corporate rehabilitation by utilizing a private PE fund in Japan.

Prior to NHC transferring all common shares of Housetec to YAMADA DENKI, all preferred shares of Housetec held by NHC were redeemed at the end of this March. The combined transactions are expected to bring a favorable return to the investors.

NHC aims to function as a powerful engine to promote business realignment and value creation for Japanese companies and industries as well as to create employment by fully leveraging the profound expertise and experience of its members.

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